

DEC 31 1992 - 11 05 AM

LEASE SUPPLEMENT NO. 1

INTERSTATE COMMERCE COMMISSION

This LEASE SUPPLEMENT NO. 1, dated December 31, 1992, between U.S. TRUST COMPANY OF CALIFORNIA, N.A., not in its individual capacity but solely as Owner Trustee (the "Lessor") and SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation (the "Lessee");

WITNESSETH:

The Lessor and the Lessee have heretofore entered into that certain Equipment Lease dated as of December 1, 1992 (the "Lease"). The terms used herein have the meanings specified in the Lease.

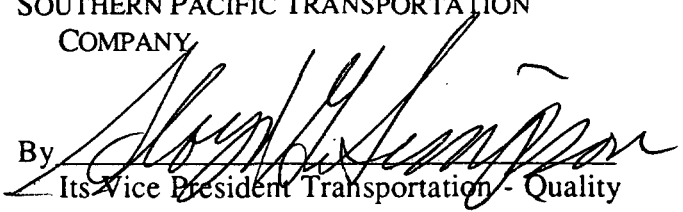
The Lease provides for the execution and delivery of a Lease Supplement substantially in the form hereof for the purpose of evidencing the lease, delivery and acceptance of Items of Equipment under the Lease.

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereby agree as follows:

1. The Lessor hereby leases to the Lessee and Lessee hereby leases from the Lessor the Items of Equipment described on Exhibit A to this Lease Supplement No. 1, on and subject to the terms and conditions set forth herein and in the Lease.
2. The Lessee represents to the Owner Trustee, the Indenture Trustee and each Participant that the Lessee has caused each such Item of Equipment to be inspected by its qualified inspector and that each Item of Equipment complies with all the specifications of the work order relating to its manufacturer or rebuilding and complies with all the Interchange Rules applicable to such Item.

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

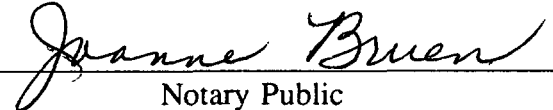
By


Its Vice President Transportation - Quality

Executed this 29 day of December, 1992
in Oak Park, Illinois.

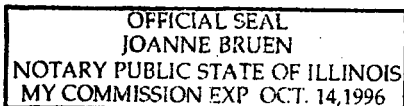
STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 29 day of December, 1992, before me personally appeared Lloyd G. Simpson, to me personally known, who being by me duly sworn, says that he is the Vice President Transportation - Quality of SOUTHERN PACIFIC TRANSPORTATION COMPANY, that said instrument was signed on such date on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

[NOTARIAL SEAL]

My Commission Expires:



**DESCRIPTION OF ITEMS OF EQUIPMENT
AND DESIGNATION OF CATEGORIES**

CATEGORY A

UNITS	DESCRIPTION OF UNITS	SELLER	ROAD NUMBERS
10	Diesel Electric Locomotives consisting of:	General Motors	
	1 Model GP 40-2 Locomotive		SP 7625
	9 Model SD 40-2 Locomotives		SP 7321, 7333, 8301, 8305, 8306, 8351, 8491, 8494 and 8549

CATEGORY B

UNITS	DESCRIPTION OF UNITS	SELLER	ROAD NUMBERS
100	Double-Stack Container Cars	Gunderson Inc.	SP 513800- 513839, inclusive

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed as of the day and year written below.

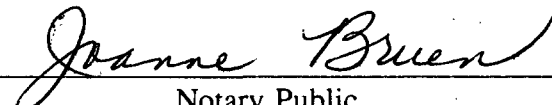
U.S. TRUST COMPANY OF CALIFORNIA, N.A.,
not in its individual capacity but solely as
Owner Trustee under the Trust Agreement

By 
Its Authorized Signatory

Executed this 29 day of December, 1992 in
Oak Park, Illinois.

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 29th day of December, 1992, before me personally appeared Louis P. Young, to me personally known, who being duly sworn, says that he is an Authorized Signatory of U.S. TRUST COMPANY OF CALIFORNIA, N.A., that said instrument was signed on such date on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

[NOTARIAL SEAL]

My Commission Expires:

